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TO RUEHOT/AMEMBASSY OTTAWA 0375
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INFO RHMCSUU/FBI WASHINGTON DC 6930
RUEAIIA/CIA WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 6051
RUEKJCS/SECDEF WASHINGTON DC
RUEPINS/HQ BICE INTEL WASHINGTON DC

UNCLAS SECTION 01 OF 02 STATE 118567

SIPDIS
OTTAWA FOR LORI BALBI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [CA](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON THE EXPORT OF U.S. DEFENSE ARTICLES CITING THE CANADIAN
EXEMPTION

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Embassy's assistance in conducting a post-shipment check on transactions citing the Canadian exemption for the export of satellite flight hardware to Canada. Embassy is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for request: Under ITAR 126.5 (Canadian Exemption), certain United States Munitions List (USML) items may be exported to Canada without a license. Some items on USML Category XV - which includes satellite flight hardware - may require a license depending on commodity specification and type. DDTC requests this check based on vague description of commodity and end-use in export filing. DDTC notes that end-user Macdonald, Dettwiler and Associates (MDA) has appeared on numerous DDTC licenses and is a bona fide recipient of USML items.

¶4. ACTION OTTAWA: Mission Canada is requested to make inquiries with appropriate MDA officials to obtain all relevant details regarding the export of satellite flight hardware to Canada citing the Canadian exemption, including the exact description, number, type, dollar value, and serial number of items.

The following questions are provided as suggested guidance:

--What were the exact United States Munitions List (USML) articles exported to you? (Automated Export System (AES) filing data provides the following information, "satellite flight hardware".)

--What is the exact end-use for these USML items? Will MDA be the sole end-user and retain positive control over the satellite flight hardware at all times? Will they be transferred to other end-users in Canada or re-exported?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfer and re-export?

END ACTION.

¶5. Details of the AES filings:

--EXPORT 1 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - Vague description cited as, "satellite flight hardware"

Stated Value: USD 21,300.00

Export Date - 10 May 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 752550831

Shipping Reference Number - 1424546

Export Identification Code - 06120956100

--EXPORT 2 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - Vague description cited as, "satellite flight hardware"

Stated Value: USD 70,150.00

Export Date - 11 May 2007

STATE 00118567 002 OF 002

ITAR Exemption Number - 126.5B

Filer Identification Number - 752550831

Shipping Reference Number - 1424548

Export Identification Code - 06120956100

U.S. EXPORTER:

Orbital Sciences Corporation
21830 Atlantic Blvd.
Dulles, VA 20166
POC is Mr. Hatch, Tel. 703-948-8442

ULTIMATE CONSIGNEE

Macdonald, Dettwiler and Associates
21025 Trans Canada Highway
Ste. Anne De Bellevue
Quebec
Canada H9X3R2
No POC provided

¶6. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: MazzarelliTP@state.gov; SIPRNET: MazzarelliTP@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia: http://www.intelink.gov/wiki/Blue_Lantern_End-Use_Monitoring_Program.

¶7. Department is grateful for post's assistance in this matter.
CLINTON